

**MINUTES**  
**LCWSD BOARD OF DIRECTORS MEETING**  
**FEBRUARY 19, 2019**

**PRESENT:** Directors Marc Liechti, Howard Cicon, and Todd Fleming and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Roxanne Wadman and Jim Heim

Director Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** Agenda was amended to include Lakeside Blvd. Water Main Extension and Habitat for Humanity under New Business. A motion was made by Director Cicon to accept the agenda as amended. Director Fleming seconded and motion carried.

**VISITORS:** Danny Shaw and Bob Helder, Habitat for Humanity, and Nicole Noonan, Auditor

Habitat for Humanity has an opportunity to build in Lakeside. They hope to close on two (2) lots in Spurwing Creekside. Mr. Shaw and Mr. Helder provided a brief overview of Habitat for Humanity, their processes and goals. They asked the Board to consider a break in the water/sewer hookup fees.

Nicole Noonan presented the 2018 Audit Report. She identified four areas for improvement involving internal control and operation. She also identified one significant deficiency involving LCWSD's knowledge of generally accepted accounting principles resulting from LCWSD not having an on-staff accountant. This deficiency is remedied by contracting with Nicole Noonan, CPA.

**APPROVAL OF MINUTES:** The Minutes of the January 15, 2019 Board meeting were reviewed. A motion was made by Director Cicon to accept these Minutes. Director Fleming seconded and motion carried.

**FINANCIAL REPORT:** The financial reports were presented by the General Manager. A motion was made by Director Fleming to approve the financial report. Director Cicon seconded and motion carried.

**BILL APPROVAL:** Accounts payable for January 2019 were reviewed. Expenses of note included:

- Scott & Kienzle, PC – Steamboat Landing Will Serve/Interlocal Agreement
- Montana Rural Water – Conference Registration
- Russell Industries Inc. – Booster Pump Project

The Capital One credit card statement for January 2019 was also reviewed.

A motion was made by Director Cicon to approve the bills. Director Fleming seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

Lakeside/Troutbeck Water Connection – Everything is hooked up but the exhaust fan which will be hooked up in the Spring. APEC Engineering is dealing with vendors on control issues.

LCWSD Subdivision Will Serve Policy – To be addressed at a future meeting.

Lakeside/Troutbeck Water Rights - General Manager met with DNRC and Applied Water to ensure everyone was on the same page.

**PROJECT UPDATE:**

Lakeside Estates Phase 3 is moving forward – 17 duplexes and 7 residential units.

**NEW BUSINESS:**

Treatment Site Aeration – Installed two (2) new aeration units last year and they are working well; would like two (2) more for upcoming season. The cost of \$18,000 for 2 5-HP units was included in the Capital Plan. A motion was made by Director Cicon to purchase 2 units. Director Fleming seconded and motion carried.

Lakeside Estates Phase 3 Plant Investment Water Rate – a motion was made by Director Cicon to approve Resolution 19-1 to establish Water Plant Investment rates for Lakeside Estates Phase 3 at \$1,993.00, matching the current Lakeside Water System rate. Director Fleming seconded and motion carried.

Troutbeck/Lakeside Estate's Water Base Rate Increase - a motion was made by Director Cicon to approve Ordinance 19-1 amending the water base rate from \$15.32 to \$16.09 per month for the Troutbeck/Lakeside Estates/Spurwing Subdivision Phases 1 and 2 Water System. Director Fleming seconded and motion carried.

Lakeside Blvd. South Water Main Extension – a customer wants to extend the existing water line approximately 400 feet. LCWSD would like the line to be 8 inches; as the existing line is only 4 inches, LCWSD will pay the cost difference to install the larger pipe. LCWSD also wants a hydrant at the end of the line rather than a blow off. Again, LCWSD will pay the difference between the cost of installing a blow off and a hydrant.

Habitat for Humanity – a motion was made by Director Cicon to reduce the sewer hookup fee by 50% (\$1798.00) and donate the meter and water and sewer inspection fees (a total cost per lot of \$2,273.00) for the two lots Habitat for Humanity is trying to purchase in Spurwing Creekside. This reduction in fees is solely for Habitat for Humanity and the two lots in Spurwing Creekside. Director Fleming seconded and the motion carried.

Outside District

- None

Inside District

- None

The meeting adjourned at 4:35 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, FEBRUARY 19, 2019)**